



October 9, 2013

VIA FEDERAL EXPRESS

Norman Y. Mineta San Jose International Airport
Director of Aviation
1732 N. First Street, Suite 600
San Jose, CA 95112-4538

Re: Consent to Assignment of Norman Y. Mineta San Jose International Airport City of San Jose Retail Concession Agreement, dated February 2, 2009 (as amended to date, the "Agreement"), by the City of San Jose, a municipal corporation for the State of California ("City"), in favor of Host International, Inc., a Delaware corporation ("Assignor") and WDFG North America LLC, a Delaware limited liability company ("Assignee"), in respect to the premises located at Norman Y. Mineta San Jose International Airport (the "Premises").

Ladies and Gentlemen:

As you may be aware, your tenant, Host International, Inc. ("Assignor"), is a subsidiary of Autogrill S.p.A., one of the world's largest providers of food, beverage and retail services for travelers. The Autogrill Group intends to undertake a series of transactions (collectively, the "Retail Restructuring") designed to combine its HMSHost and World Duty Free retail businesses in North America into a single division operating under the name World Duty Free Group North America. With your consent, in connection with the Retail Restructuring, it is expected that (i) either directly, indirectly or by operation of law, all of Assignor's rights, title, interest, powers and privileges in, to and under the Agreement and any contract made in connection with the Agreement, including, without limitation, any guaranty agreement, performance guaranty, or performance bond (each, a "Related Contract") will be assigned to WDFG North America LLC, a Delaware limited liability company and subsidiary of Assignor ("Assignee"), and Assignee will assume all obligations of Assignor under the Agreement and any Related Contract and (ii) the ownership of Assignee will subsequently be transferred to become a subsidiary of World Duty Free Group S.A.U. (collectively, the "Assignment").

The Assignment will be completed in two stages, with the first stage (the assignment of the Agreement to Assignee) expected to occur on or about September 6, 2013 (the actual date of the assignment, the "Effective Date"), and the second stage (the change in ownership of Assignee) expected to occur within three to four months thereafter. Promptly following the completion of each stage, we will provide you with an appropriate notice together with copies of any relevant documents. If you need any additional information regarding the Assignee or the Retail Restructuring, please do not hesitate to call Nina Eldred at (240) 694-4654 or contact her via e-mail at nina.eldred@hmshost.com.

6905 Rockledge Drive | Bethesda, MD 20817 | Phone: 240.694.4100 | Fax: 240.694.4640

Council Agenda: October 29, 2013

Item No: 2.7a

DRAFT--Contact the Office of the City Clerk at (408) 535-1260 or CityClerk@sanjoseca.gov for final document.

Based on the foregoing, we request that City countersign this letter (this "Consent") to acknowledge the express understanding of Assignor and City as follows:

1. City hereby consents to the Assignment in connection with the consummation of the Retail Restructuring, and expressly waives all rights it may have to terminate the Agreement or any Related Contract or to allege a breach of or pursue remedies under the Agreement or any Related Contract solely in connection with or as a result of the Retail Restructuring or the Assignment.
2. All notice, consent, assignment, transfer fees or other provisions of the Agreement and any Related Contract that may be applicable to the Retail Restructuring/Assignment are hereby deemed to have been satisfied by Assignor and are hereby waived by City in connection with the Retail Restructuring/Assignment.
3. Except as expressly set forth herein, nothing in this Consent or in any written instrument or instruments evidencing the Assignment shall be construed to: (i) modify, waive, impair or otherwise affect any of the terms of the Agreement or any Related Contract with respect to City, on the one hand, and Assignor and the Assignee, on the other hand, or (ii) expand, limit or otherwise modify any of City's or Assignor's rights or obligations under the Agreement or any Related Contract.
4. Upon consummation of the Retail Restructuring and the Assignment, Assignee will assume responsibility for any liability arising out of or relating to the performance of any obligations under the Agreement or any Related Contract accruing on or after the Effective Date.
5. Assignor and its successors and assigns shall remain fully liable under the terms, covenants and conditions of the Agreement, as the same may be amended from time to time, whether or not Assignor has notice of such amendments. By permitting Assignee to assume its obligations under the Agreement, Assignor agrees to be jointly and severally liable with Assignee, without any requirement to proceed first against or to first attempt recovery from Assignee, for any acts or omission of Assignee that occur in conjunction with Assignee's occupation and use of the concession areas and the exercise of any of the rights granted to Assignee under the Agreement and this Consent.
6. This Consent is limited to the Retail Restructuring (including but not limited to the Assignment), and City otherwise reserves its rights under the Agreement to consent to any further assignment.
7. To the extent the Agreement or any sublease includes ACDBE participation, we do not expect the Retail Restructuring to affect the level of participation or the identity of our ACDBE partners, with whom we have already been in contact regarding the proposed transaction.

Kindly acknowledge City's consent to the Assignment and agreement with the foregoing by countersigning this letter as promptly as possible and return it to the attention of Nina Eldred by facsimile (240.694.4635) or by e-mail (nina.eldred@hmshost.com). We agree that exchange of electronic versions of this fully executed letter shall be as binding as originals. In addition, please return an original of the

countersigned letter to the following address: HMSHost, Seventh Floor, Mail Stop 7-1, 6905 Rockledge Drive, Bethesda, MD 20817 Attn: Associate General Counsel, Real Estate.

Very truly yours,

HOST INTERNATIONAL, INC.,
a Delaware corporation

By: _____
Name:
Title:

Acknowledged and agreed to this _____ day of _____, 2013

“CITY”

APPROVED AS TO FORM:

CITY OF SAN JOSE, a municipal corporation

KEVIN FISHER
Senior Deputy City Attorney

By _____
NORBERTO DUEÑAS
Deputy City Manager